

## *Joint Standing Committee on Insurance and Financial Services*

**PUBLIC 468      An Act To Address Benefits for Employees and Officers of Credit Unions      LD 1723**

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| <u>Sponsor(s)</u><br>PERRY A<br>MAYO | <u>Committee Report</u><br>OTP | <u>Amendments Adopted</u> |
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Public Law 2005, chapter 468 authorizes a state-chartered credit union to provide employee benefits, including retirement benefits, to its employees and officers and fund those employee benefit plan obligations with investments that would otherwise be impermissible under state law. The law also authorizes the Superintendent of Financial Institutions to adopt rules to implement the law and to address any safety and soundness issues.

**PUBLIC 484      An Act To Amend the Maine Consumer Credit Code as It Relates to Finance Charges for Loans on Open-end Credit      LD 1783**

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| <u>Sponsor(s)</u><br>SULLIVAN<br>PERRY A | <u>Committee Report</u><br>OTP-AM | <u>Amendments Adopted</u><br>S-451 |
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Public Law 2005, chapter 484 exempts home equity lines of credit accessed by a credit card from the provision of law that prohibits the imposition of a finance charge on purchases made during a billing cycle if they are paid for no later than 25 days after the closing date of that billing cycle. The law also clarifies that home equity lines of credit accessed by a credit card are still subject to the Maine Consumer Credit Code provisions limiting the maximum interest rate for home equity lines of credit to 18%.

**PUBLIC 485      An Act To Establish the Securities Investor Education and Training Fund      LD 1855**

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| <u>Sponsor(s)</u><br>PERRY A<br>MAYO | <u>Committee Report</u><br>OTP-AM | <u>Amendments Adopted</u><br>H-753 |
|--------------------------------------|-----------------------------------|------------------------------------|

Public Law 2005, chapter 485 establishes the Securities Investor Education and Training Fund as a dedicated nonlapsing fund within the Department of Professional and Financial Regulation, Office of Securities to be used for the purposes of securities education and training. The fund must consist of grant or donation funds, as well as amounts credited to the education and training fund pursuant to designations in consent orders or agreements and court orders or judgments that result from a multistate investigation or a joint investigation with the federal Securities and Exchange Commission. The fund is independent from the operating fund for the Office of Securities.

**PUBLIC 493      An Act To Increase Accessibility to Health Insurance      LD 1734**  
**EMERGENCY**

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| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
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| GLYNN             | OTP-AM                  | H-758                     |

Public Law 2005, chapter 493 amends the definition of "legally domiciled" for purposes of becoming eligible to purchase individual health insurance so that a person is required to satisfy 2 of 6 criteria before becoming eligible. The law also expands the criteria for eligibility to purchase health insurance coverage to include a valid passport or visa, a sworn affidavit declaring a person's intent to reside in this State and a state identification card in lieu of a driver's license. Under current law, a person must satisfy 3 of the following 4 criteria: a valid driver's license; proof of voter registration; a permanent dwelling place in the State; or proof of filing of a resident income tax return.

Public Law 2005, chapter 493 was enacted as an emergency measure effective March 16, 2006.

### **PUBLIC 532      An Act Protecting Youth from Losing Health Insurance Coverage      LD 2014**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| MAYO<br>PERRY A   | OTP-AM                  | S-512                     |

Public Law 2005, chapter 532 requires individual and group health insurers that provide coverage to dependent children at certain ages only if the children are students to continue coverage for a student who is unable to remain in school on a full-time basis due to a mental or physical illness or accidental injury. The law permits insurers to require the student to provide written documentation from a health care provider and the student's school that the student is no longer enrolled in school full-time due to a mental or physical illness or accidental injury.

### **PUBLIC 583      An Act To Amend the Notice of Risk to Personal Data Act      LD 2017**

| <u>Sponsor(s)</u> | <u>Committee Report</u>        | <u>Amendments Adopted</u> |
|-------------------|--------------------------------|---------------------------|
|                   | OTP-AM    MAJ<br>ONTP      MIN | H-925                     |

Public Law 2005, chapter 583 extends the current requirement that information brokers notify consumers upon a security breach of the consumers' personal information to other types of persons and businesses, including state government, colleges and universities. The law requires a person who maintains computerized data that includes personal information to notify residents of this State of a security breach if, after a good faith investigation upon becoming aware of a security breach, the person determines that personal information has been misused or it is reasonably possible that misuse will occur. The law provides that if an entity complies with file breach notification requirements established pursuant to federal or Maine law, and if those requirements are at least as protective as the protections granted by the requirements of Public Law 2005, chapter 583, that entity is deemed to be in compliance with the notification requirements of the law.

The law requires that when a person notifies consumer reporting agencies of a security breach, the agencies must be informed of the date of the breach, an estimate of the number of individuals affected by the breach, if known, and the actual or anticipated date that the individuals were or will be notified of the breach. Under

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current law, persons are required to notify consumer reporting agencies if the security breach requires notification to more than 1,000 persons at a single time.

The law clarifies that the definition of personal information subject to the notice requirements of the law after a security breach does not apply to information maintained in 3rd-party claims databases of property and casualty insurance companies.

The law extends regulatory and enforcement authority to the Attorney General's office with respect to persons not under the jurisdiction of the regulatory agencies within the Department of Professional and Financial Regulation. The law also requires the Department of Professional and Financial Regulation and the Attorney General to undertake reasonable efforts to inform persons of their responsibilities under this legislation.

Public Law 2005, chapter 583 takes effect January 31, 2007.

**PUBLIC 591      An Act To Clarify the Uninsured Motorist Laws**

**LD 2021**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
|                   | OTP      MAJ            |                           |
|                   | OTP-AM      MIN         |                           |
|                   | ONTP      MIN           |                           |

Public Law 2005, chapter 591 clarifies the Legislature's intent regarding the uninsured motorist statute in response to the Law Court's decision in Butterfield v. Norfolk and Dedham Mutual Fire Insurance Company, 2004 ME 124, Maine Supreme Judicial Court, September 30, 2004. The law clarifies that an insurance policy may limit uninsured motorist coverage to the recovery of damages by an insured person under the policy for bodily injury, sickness or disease, including death, sustained by that insured person.